

Implementation of the EU Association Agreement with Ukraine

The Association Agreement is the main framework for EU-Ukraine relations, and promotes economic and political cooperation, as well as respect for common values. The European Parliament is due to discuss an own-initiative report on its implementation during the February plenary session.

Background

Ukraine is a priority [partner](#) for the EU. The [Association Agreement](#) (AA) was signed in 2014 following the [Revolution of Dignity \(Euromaidan\)](#). After an initial period of provisional implementation pending ratification, the AA entered fully into force in September 2017. The agreement's aim is to accelerate the deepening of political and economic relations between Ukraine and the EU, including [gradual integration](#) of Ukraine into the EU internal market. The deep and comprehensive free trade area, which is part of the AA, has led to an increase in bilateral trade of around [65 %](#) since 2017. The EU is Ukraine's main trading partner, with a [share of 40 %](#) of the country's external trade, followed by China (11.5 %) and Russia (9 %). Ukrainian citizens have been able to travel visa-free to the EU since 2017. Ukrainians have made over [50 million visits](#) to EU Member States and the Schengen area since then, thus increasing the level of [people-to-people](#) contacts, as intended by the AA. The [October 2020](#) EU-Ukraine summit reaffirmed commitment to [strengthening](#) bilateral ties.

EU support to Ukraine

The European Union [supports](#) reforms in Ukraine and the country's independence, sovereignty and [territorial integrity](#), threatened by Russia's ongoing hybrid war against the country, which has included the illegal annexation of the Crimean peninsula, the war in eastern Ukraine and [disinformation activities](#). Since 2014, grants and loans from the European Union and European financial institutions to support reform processes total more than [€16.5 billion](#). These resources are subject to strong conditionality in terms of continued reform progress. The amount includes EU support to Ukraine of over [€202 million](#) for immediate and short-term needs arising from the coronavirus pandemic, as well as [€1.2 billion](#) in the form of macro-financial assistance to support mitigation of the economic and social consequences of the pandemic.

European Parliament position

On 9 November 2020, Parliament's Committee on Foreign Affairs (AFET) adopted an own-initiative [report](#) on the implementation of the EU Association Agreement with Ukraine. It addresses several policy areas, including: reforms; cooperation in the field of the common foreign and security policy; justice, freedom and security; human rights and fundamental freedoms; trade and economic cooperation; labour and social affairs; environment and climate change; and people-to-people contacts. It recognises and commends Ukraine's advances in implementing AA-related commitments and integration with the EU. It recommends focusing on a limited number of priorities, where political efforts, financial support and technical assistance can be concentrated with a view to securing the long-term success of reforms. At the same time, the report underlines the need to complete several reforms already initiated, in particular in the areas of rule of law, good governance and action against corruption, and urges the Ukrainian authorities to keep AA implementation high on the country's agenda.

Own-initiative report: [2019/2202\(INI\)](#); Committee responsible: AFET; Rapporteur: Michael Gahler (EPP, Germany).

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